TOWN OF FOUNTAIN HILLS MINUTES OF THE REGULAR SESSION OF THE FOUNTAIN HILLS TOWN COUNCIL

February 18, 2010

* <u>CALL TO ORDER AND PLEDGE OF ALLEGIANCE</u>

Mayor Schlum called the meeting to order at 6:30 p.m. in the Town Hall Council Chambers.

- * **INVOCATION** Councilmember Dennis Contino
- * ROLL CALL

Present for roll call were the following members of the Fountain Hills Town Council: Vice Mayor Hansen, Mayor Schlum, Councilmember Leger Councilmember Contino, Councilmember Brown, Councilmember Dickey, and Councilmember Archambault. Deputy Town Manager Julie Ghetti, Town Attorney Andrew McGuire, and Town Clerk Bev Bender were also present.

* MAYOR'S REPORT

(i) A review of upcoming community events (PowerPoint on file in the Clerk's office).

Mayor Schlum thanked everyone for supporting local businesses and announced that the Town Council had attended the Tribal Council Inauguration last week. He reviewed the following list of upcoming events:

- Weekly held art and farmers market (Thursdays)
- Feb. 20th, Guided Hike with focus on animals and plants @ the Fountain Hills Preserve (Golden Eagle Trailhead)
- Feb. 20th, Reptile Feeding @ McDowell Mountain Regional Park
- Feb. 26-28th, the Great Fair, Downtown (Avenue of the Fountains)
- Feb. 27th, Full "snow" Moon Hike @ McDowell Mountain Regional Park
- March 3 6, Memorial Disc Golf Tournament, Fountain Park
- Fountain Hills High School Basketball (Girls) State Tournaments: www.AIAonline.org
- (ii) The Mayor will present the "State of the Town" (PowerPoint on file in the Clerk's office).

Mayor Schlum welcomed everyone and continued with an overview from his perspective. He thanked the Council for their hard work and supporting the Town with the passion and love they have for it, noting that every time they were faced with a challenge they did their best and that was most appreciated. He listed the areas that he would discuss:

- Economy
- Town Condition
- Accomplishments
- Opportunities and Invitation

Economy

The Mayor noted that Arizona was not really accustomed to this type of economy, and for as long as he had lived here (since he was eleven years old), it had always been booming and not just in construction.

However, he recognized that the current situation was world-wide, which has had a dramatic effect in the state, the region, and within Fountain Hills. He pointed out that construction activity in Fountain Hills had been almost non-existent throughout 2009 and into 2010, which was not anticipated to increase until 2011-12. He said that remodeling and home improvements were being made; but, in general, there were not a large number of permits. The Mayor noted the substantial gap in revenue was attributable to the decline in construction sales tax and permit fees, which was something that the Town had been relying upon financially to sustain itself. He stated that businesses were starting to show some signs of recovery although the Town's approach to the economy was cautiously optimistic. The Mayor stated the opinion that the Town's retail mix (i.e. grocery stores, Target, and other similar businesses) had not been as dramatically impacted by the slowed retail activity as other municipalities in close proximity to the Town had been who had large car dealerships and such.

The Mayor stated it was important to support local businesses and reiterated that it had made a huge difference to have the support of the local community (i.e. the local residents and visitors). He pointed out that budget planning was already in full swing and that the Town kept an eye on what was going on with the State's budget as there were items that happened in that body that could affect Fountain Hills. The Mayor mentioned the possibility that the State might sweep funds and if they had to go much deeper, those cuts would continue to impact our Town. He stated the Town had good representation and that they dialogued with the local District Representatives, which was appreciated; however, the State was challenged budgetarily and obviously there would be impacts to the community.

The Mayor said that in looking back at 2009, he felt the biggest impact to Fountain Hills was the economy and that the hardship had affected all levels of the community (i.e. residents, businesses, local government, even non-profit and civic organizations). However, along with that hardship came compassion. When times were tough Fountain Hills' residents had continued to recognize the greater needs of others, even beyond our valley. He said that in 2009 donations from Fountain Hills to the El Salvador's hardship-stricken citizens had been overwhelming, so much so, that they had sent their Minister of Foreign Affairs, Marisol Argueta de Barellas (comparable to our Secretary of State's office) to the Town at the beginning of the year, to visit Fountain Hills and the Sister Cities organization. He mentioned that the Town's Sister City in El Salvador was Ataco, and the fact that they had gained support from Fountain Hills, the Chamber of Commerce, and from various medical organizations (with a large number of participating Fountain Hills' residents) who donated millions of dollars in services and funds. He pointed out that citizens had been generous locally as well. He said that the Minister's visit had been significant and showed the amount of caring our community offered; and often even without asking folks stepped-up.

The Mayor stated that a lesson learned was that when we served others, we take ownership and strengthen ourselves. He commented that caring was a significant report for this year because even as our community suffered, it had been caring for others and continued to care for one another tremendously and he was very proud of the community.

Town Condition

The Mayor pointed out that the Town had continued with belt tightening and cost savings and innovations were abounding. He thanked the Town Manager and staff for finding ways to be innovative in delivering services for less and maintaining the level of service. He reiterated that Town revenues were down and the Council would continue to balance the budget so spending was reduced. He said they were meeting the significant challenge but everyday he was more confident that they would continue to face it successfully. He stated the team had also been on top of available stimulus funding (ARRA), which had brought in large amount of money for capital projects, not operational projects. He mentioned that the Town had received over \$3 million to date and that

they would continue to look for opportunities for Fountain Hills to get its fair share and that those dollars would be applied to those projects that the community would be proud of (federal dollars used largely towards roads). He commented that Fountain Hills had been very fortunate in leveraging grants from regional organizations (Maricopa Association of Governments [MAG]) with millions of dollars coming towards Shea Boulevard, the intersections of Shea and Saguaro Boulevards, as well as Shea and Fountain Hills Boulevards with most of the grants a 70/30 match, whereby the Town paid the 30%.

Mayor Schlum said that this year a different approach had been taken with the budget – budgeting for outcomes. This went right in line with program budgeting, which was implemented last year thanks to the new software. This software helped everyone understand what things cost (hard and soft costs combined to show the true cost of delivering services). He commented that this information would help them understand what types of fees would need to be charged or if there was value in a program now that the actual cost was known. He stated the opinion that it helped the Council make knowledgeable decisions particularly as they entered this budget season and the fact that there would be needs this year due to reduced revenues. He stated that there would be needs that would not be filled probably for the first time. He expressed his appreciation to staff in helping to prepare the Council for this budget season.

Mayor Schlum said the Council would continue the conservative approach to budgeting. He pointed out that Fountain Hills was one of the first communities that had made cuts in their budget; cuts in advance of need and expectation of the down turning economy. He said that the budget had been reduced over the last few years and as things had progressed and gotten more difficult, cuts had been made midstream. He reiterated that the Town had done its necessary belt tightening. He acknowledged that the Town relied on many people in the community and referred to a photo displayed of former elected officials taken at the Town's 20th Anniversary Celebration. He explained that the illustration was that it was not of the current seven Councilmembers and Town Manager but that the Town was getting through the difficulties faced because of all of the help received not just from the previously elected but through the numerous volunteers that shared their tremendous talents with the community. This included not only saving dollars but assisting the Council with making the best decisions possible; therefore, he encouraged former mayors and councilmembers to stay in touch, to dialogue, and to help us out.

The Mayor stated that what stood out was the collaborative approach that had been taken to work with the business community, the Chamber of Commerce, and undergoing the Downtown Vision exercise. He stated when the economy was slow, some of the best planners in the world (who also happened to live in the valley -Swaback Partners) were available to work with us. He stated the opinion that at a time when dollars were not available to spend, it was a good time to plan if you wanted to be prepared for the future, which we do. The Mayor indicated that an opportunity, largely through a relationship Jeremy Hall (MCO) had with Swaback, had introduced an opportunity for us to work with them, the Chamber of Commerce contracted with them and the Town jumped on board to take on the second half and work throughout the entire process with a very professional organization (Swaback Partners). One of their main principals lives in Fountain Hills. He discussed the great process of which many were involved and now a tremendous plan was adopted and the public would be voting for it in the General Plan. He stated it was moving forward and the capital dollars were not quite there yet for people to develop such a project but they soon would be. He noted that through the Town's Economic Administrator that there had been some conversation with developers who thought this was an exciting opportunity. The Mayor stated that this would not happen overnight and advised that more information could be found on the Chamber's website and the Town's. He encouraged everyone to become familiar with that information. He said it was a great opportunity for the Town to work with a great firm and with Vern Swaback.

The Mayor stated that volunteers were really the Town's backbone. He highlighted a few opportunities in the presentation but indicated that there were thousands (i.e. Give a Lift program, Kids Help Kids, Mayor's Youth Council, C.A.R.E.S.). He mentioned two occurrences that might be unknown to most: the Fountain Hills High School football team had received the annual Sportsmanship Award presented by the referees; however, it was the first time that it had been awarded to the same team twice in the same year; Katie Visco, the youngest person to run across America, came through Fountain Hills and met with resident Jerry Traylor, who had also run across America, but on crutches. He said they met and that Mr. Traylor had encouraged her in her 3,132 mile run and mission, which was to encourage people, particularly young girls, to follow their dreams and passions.

Mayor Schlum said that the Town continued to focus on small town events and commented on the fact that people in Fountain Hills loved small town events. He stated that the Town (the municipality) did not do a lot of small town events but did try and encourage others to participate and hold events here in the community. He gave the example of Oktoberfest and referred to a picture of the event in the presentation. He said that the Town Council would continue to support small town events, would look for more people to partner with, or at least look to get out of the way, so that others could continue to have these small town events that the community cherished.

The Mayor acknowledged the Strategic Planning Advisory Commission and their work on the Town's Strategic Plan. He stated they were a tremendous group of individuals that kept the plan alive, which was the pulse of what the citizens' valued. He noted that the report (plan) was in its 5th year and was being revised. The plan would help the Council understand what they should be focused on for the outcomes as they prepared the budget. The Mayor stated that the commissioners generously shared their talents and he pointed out that many were skilled in this area and did this work for a living, but for Fountain Hills they did it gratis because of their love of the community. He said they put in hundreds, if not thousands, of hours and had held similar numbers of conversations with those in the community in order to update the Strategic Plan of which they were in the final stages. He commended them for their community engagement efforts by going where the community members were. He stated that commissioners had gone to the Boys and Girls Club, who watched the children, while the parents participated in the Strategic Plan update. He commented on the fact that the commissioners had been out in many places and that the public had talked with them as they kept a pulse on the residents and businesses and advised the Council on what the community felt was important. He acknowledged their tremendous presentations and the fact that the raw data collected was overwhelming, which included direct feedback from the kids in the community.

Mayor Schlum stated that the Town would continue to work on their partnerships as they felt that those who served the community closest were the best to serve. He commented on the list of organizations displayed in the presentation, which were serving people directly and very efficiently. He stated that where it could be done, the Town would continue to partner with these organizations, as well as partner with those individuals with a passion to serve the community or who might introduce an idea that might add value to the community. The Mayor indicated that the Council would be open to partnerships relating to economic development (private/public partnerships) moving forward as the Town needed to become more innovative and take advantage of opportunities to leverage others' strengths as the limited Town resources were managed.

Accomplishments

The Mayor noted that with the previous belt tightening and cost saving innovations there had been a modest surplus this past year, although the Town was not expecting a surplus this year. He acknowledged receipt of the Award for Excellence in Budget Presentation and Financial Reporting, the fact that the Town had retained a very high bond rating (Aa3); the fact that the Town was healthy with fund balances currently at \$22 million; the

fact that the Town's fund reserve balance had been maintained at the recommended amount of \$6.5 million, which was higher than the required amount given that the current budget had been declining; the fact that the Council had adopted a rainy day fund policy with a current balance of \$1.3 million;, the fact that Fountain Hills was named by Business Week as the "Best Affordable Suburb in Arizona"; and the fact that Fountain Park was looking great with the limited Town resources available and with assistance from volunteers.

Opportunities and Invitation

The Mayor stated that as we moved forward and the economy continued to be difficult that we needed to help one another. He encouraged everyone to feel that they were invited to participate in the community. He noted that Fountain Hills had unique values, needs, and that there were those who were suffering in Town. He said there were opportunities for all to serve one another. He reiterated that the most significant item for 2009 was the economy and he asked everyone to join in. He commented that when we served others we take some ownership and we strengthen ourselves. He stated that direct involvement made Fountains Hills a better place to call home and that every ounce of effort given to Fountain Hills would be given back, but that it also added value to others (i.e. the children and the elderly in need) across the board and they would be thankful.

The Mayor thanked the Council, Town staff, the citizens of Fountain Hills, the organizations that the Town partners with, and those they worked with on a daily basis for their on-going support and assistance to move Fountain Hills forward. He stated the opinion that we had a great thing going and the Town was fortunate. He commented that he had confidence in this Council that they would continue to be focused on what was important and valued in Fountain Hills. He pointed out that the Council was always available and that he welcomed citizens' calls. He invited citizens to participate and to be part of the solution that was called Fountain Hills.

* SCHEDULED PUBLIC APPEARANCES/PRESENTATIONS

(i) Presentation of Citizen Lifesaving Awards by Mayor Schlum in recognition of life saving actions performed January 22, 2010, at the Fountain Hills Community Theater.

Mayor Schlum presented Citizen Lifesaving Award Certificates, on behalf of the Town and the Fountain Hills Rural Metro Fire Department, to Dr. William Mantel (present), Patty Torrilhon (present), and Linda Ferington (was not present) for recognizing that a patron had gone into cardiac arrest and acting quickly to secure and use an automatic external defibrillator (AED) that was part of the Town's publicly accessible defibrillator program (PAD) located at the Community Theater. Proper use of the AED and CPR saved this gentleman's life. The Town also recognized Mr. Phil Gaziano for his involvement and dedication in creating the PAD program in Fountain Hills. Patty Torrilhon stated that on behalf of the Theater that they wanted to thank Phil and the Civic Association. Ms. Torrilhon stated the opinion that if they had not had the AED, that Ed would not be here right now. She also thanked Dr. Mantle and the paramedics for not only their actions that evening but for training them. Mayor Schlum thanked Mr. and Mrs. Gaziano and Chief LaGreca for recognizing great citizens and outstanding and heroic efforts that serve our community.

Mr. John Rittenberg, Cardiac Science representative, also thanked Mr. Gaziano for his passion and enthusiasm for getting the AEDs out in conjunction with the Fire Department and Steve Boyer. Mr. Rittenberg explained that Cardiac Science worked with municipalities, counties, and states in developing public access to fibrillation programs. He stated that without having an AED the chances of survival were less than 5%; but by having an AED present in the Town the chances of survival increased to as high as 60% to 90%. He stated they also liked to recognize people who were part of the save and presented a live saving award certificate to each of the three named citizens. Mayor Schlum pointed out that the Town had 25 AED units throughout the Town and Fire Chief LaGreca thanked the Council for their support.

(ii) Presentation by the Recreation Division on upcoming special events coordinated or co-sponsored by the Town of Fountain Hills during March and April 2010. (PowerPoint on file in the Clerk's office)

Supervisor of Recreation Bryan Hughes addressed the Council and reminded everyone that Parks and Recreation in coordination with the Fire Department offers CPR and AED classes once a month. He reviewed the details of the following Town Spring 2010 events as listed in the presentation:

• Disc Golf Tournament: March 2 – 6, 2010

• Concerts in the Park to be held: March 7, March 14, March 21, and March 28, 2010

• St. Patrick's Day Celebration: March 13, 2010

• Eggstravaganza: March 27, 2010

• Movies in the Park: April 9, 2010 and April 10, 2010

• Paws Around the Fountain Adopt-a-Thon: April 11, 2010

Mr. Hughes thanked the sponsors of the St. Patrick's Day Celebration, the Goyena Team (MCO Realty, Inc.); and Natalie Varela for her ongoing support of Movies in the Park. He summarized by stating that these events supported the Town's Strategic Priority to "strengthen small town identity" and the Town Council's goal to "maintain and promote our small town character by enhancing public/private collaborations to promote new and improve existing special events". Mr. Hughes thanked the Council for their support and invited the public to help spread the eggs as they enjoyed having everyone there.

Mr. Hughes responded to a question from the Mayor and stated that they had to increase the number of eggs this year to 15,000. The Mayor stated that it took several hours to spread the eggs with the help of the Mayor's Youth Council. Mr. Hughes added that the eggs were picked up in under 90 seconds last year and that it was truly a spectacle to see and fun for the kids. He noted that the Fire Department also supported the event by bringing out the fire truck for the kids.

Councilmember Leger made the observation that the Disc Golf event seemed to be growing each year and asked if Parks and Recreation or those sponsoring this activity, had any processes in place for the management of the event relating to people using the park. He noted that sometimes they seemed to run into each other and that there had been complaints as people were not aware of what was occurring. Mr. Hughes responded that the recent tournament had over 30 volunteers helping and acting as course monitors. He stated that staff recognized that it was a park first and the events happened around it. He said that they were working hard to ensure that the public was aware of what was going on and everyone was safe as they walked through the park. He stated that it was a little bit of an awareness thing and so far he felt it had gone well. Staff anticipated that this one would go just as well but that they were working on it acknowledging as the event had grown. Staff wanted to make sure everyone was safe and that everyone knew what was going on.

Councilmember Contino thanked Mr. Hughes for his presentation and for listing the dates of the events. He noted that he really enjoyed the ADOG and Pack 911 event as it brought awareness about what went on with animals and how we should adopt them. He stated it was a great program and he thanked him for starting it. Mr. Hughes clarified that it was ADOG's program and that staff supported the event as needed. He acknowledged that ADOG and Pack 911 had done a great job and staff felt it was a good event to support.

*CALL TO THE PUBLIC

Mr. Dwayne Johnson addressed the Council relative to petitions presented this evening requesting a speed reduction on Fountain Hills Boulevard to 35 MPH. He stated he had walked from Kingstree to Inca and had

gathered 60 signatures. Mr. Johnson reported that no one had thought it was a bad idea to reduce speed to 35 MPH. He noted that the four way stop at Inca split the road into two lanes and if an arrow were placed there, the right hand lane would be a right turn only lane and that would prevent the race going down as they would have to converge into a single lane again. He said he understood that the four way stop had been put there to slow the traffic and if the traffic was slowed to 35 MPH and enforced, that it would work. However, most people thought that it would not be enforced. He mentioned that he did not know what the traffic counts were.

Mayor Schlum replied that he knew Mr. Johnson had met with staff and that staff was still following up. Mr. Johnson reiterated his opinion that 35 MPH. was a more reasonable speed for the two lane road.

CONSENT AGENDA

AGENDA ITEM #1 - CONSIDERATION OF APPROVING THE TOWN COUNCIL MEETING AND TOWN COUNCIL SUBCOMMITTEE MEETING MINUTES FROM JANUARY 14 AND FEBRUARY 4, 2010.

AGENDA ITEM #2 - CONSIDERATION OF A SPECIAL EVENT LIQUOR LICENSE APPLICATION, SUBMITTED BY ESTHER BEAUCHAMP (AMERICAN LEGION WOMEN'S AUXILIARY), FOR THE PURPOSE OF A FUNDRAISING EVENT TO BE HELD IN CONJUNCTION WITH THE GREAT FAIR SPECIAL EVENT THAT IS SCHEDULED TO BE HELD FEBRUARY 26 AND 27, 2010, FROM 9 A.M. – 6 P.M., AND FEBRUARY 28, 2010, FROM 10 A.M. – 6 P.M.

AGENDA ITEM #3 - CONSIDERATION OF A SPECIAL EVENT APPLICATION SUBMITTED BY SHARON MORGAN FOR THE ST. PATRICK'S DAY CELEBRATION, WHICH IS SPONSORED BY THE FOUNTAIN HILLS CHAMBER OF COMMERCE, TO BE HELD MARCH 13, 2010, IN FOUNTAIN PARK AND WILL REQUIRE CLOSURE OF SAGUARO BOULEVARD FROM THE AVENUE OF THE FOUNTAIN TO PALISADES BOULEVARD.

AGENDA ITEM #4 - CONSIDERATION OF A SPECIAL EVENT LIQUOR LICENSE APPLICATION SUBMITTED BY SAMUEL COFFEE (SONS OF AMVETS, SQUADRON 7), FOR THE PURPOSE OF A FUNDRAISING EVENT (ST. PATRICK'S DAY CELEBRATION), LOCATED IN FOUNTAIN PARK, SCHEDULED TO BE HELD ON SATURDAY, MARCH 13, 2010, FROM 10 A.M. TO 10 P.M.

AGENDA ITEM #5 - CONSIDERATION OF A SPECIAL EVENT LIQUOR LICENSE APPLICATION SUBMITTED BY WILLIAM LEE KLEIN (AMERICAN LEGION POST 58), FOR THE PURPOSE OF A FUNDRAISING EVENT, LOCATED AT 16837 E. PARKVIEW AVENUE, FOUNTAIN HILLS, AZ, SCHEDULED TO BE HELD ON FEBRUARY 26 AND 27, 2010, FROM 9 A.M. TO 10 P.M. AND FEBRUARY 28, 2010, FROM 10 A.M. TO 10 P.M.

AGENDA ITEM #6 - CONSIDERATION OF A FINAL REPLAT FOR A LOT LINE ADJUSTMENT BETWEEN 16655 E. INCA AVENUE AND 11616 WALAPAI CIRCLE, AKA PLAT 203, BLOCK 5, LOTS 13 & 14. CASE# S2010-03.

AGENDA ITEM #7 - CONSIDERATION OF APPOINTING A CITIZEN TO THE COMMUNITY CENTER ADVISORY COMMISSION (CCAC) TO SERVE A TWO YEAR TERM BEGINNING FEBRUARY 19, 2010, AND ENDING DECEMBER 31, 2011.

Councilmember Leger <u>MOVED</u> to approve the Consent Agenda as listed (Items 1-7) and Councilmember Contino <u>SECONDED</u> the motion. A roll call vote was taken with the following results:

Councilmember Dickey Aye
Mayor Schlum Aye
Councilmember Leger Aye
Vice Mayor Hansen Aye
Councilmember Contino Aye
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Councilmember Brown Aye
Councilmember Archambault Aye

The motion **CARRIED UNANIMOUSLY** (7-0).

REGULAR AGENDA

AGENDA ITEM #8 – COUNCIL DISCUSSION/DIRECTION TO THE TOWN MANAGER. ITEMS LISTED BELOW ARE RELATED ONLY TO THE PROPRIETY OF (i) PLACING SUCH ITEMS ON A FUTURE AGENDA FOR ACTION OR (ii) DIRECTING STAFF TO CONDUCT FURTHER RESEARCH AND REPORT BACK TO THE COUNCIL:

A. NONE.

<u>AGENDA ITEM #9 – SUMMARY OF COUNCIL REQUESTS AND REPORT ON RECENT ACTIVITIES BY THE TOWN MANAGER.</u>

Deputy Town Manager Ghetti reported that staff and the Executive Budget Committee continued to work on the fiscal year 2011 budget with the goal of presenting it to the Town Council and the public in the first week in April.

AGENDA ITEM #11 - ADJOURNMENT.

Councilmember Leger <u>MOVED</u> that the Council adjourn the meeting and Councilmember Contino <u>SECONDED</u> the motion, which <u>CARRIED UNANIMOUSLY</u> (7-0). The meeting adjourned at 7:21 p.m.

TOWN OF FOUNTAIN HILLS

By	
·	Mayor Jay T. Schlum
ATTEST AND PREPARED BY:	
Bevelyn J. Bender, Town Clerk	

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Session held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 18th day of February, 2010. I further certify that the meeting was duly called and that a quorum was present.

Dated this 4 th day of March 2010).
	Bevelyn J. Bender, Town Clerk